



December 5, 2012

VIA ELECTRONIC FILING

Ms. Jocelyn Boyd
Chief Clerk and Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Dear Ms. Boyd:

Re: Filing of Quarterly Monitoring Report by Piedmont Natural Gas Company, Inc.
Pursuant to S.C. Code §58-5-430
Docket No. 2012-7-G

Pursuant to Section 58-5-430 of the South Carolina Natural Gas Rate Stabilization Act, enclosed is the quarterly monitoring report for the twelve-month period ending September 30, 2012, for Piedmont Natural Gas Company, Inc.

If you have any questions about this filing, you may reach me at 704-731-4560 or Robert Thornton at 704-731-4148.

Sincerely,

s/ Jenny Furr
Jenny Furr
Manager, Regulatory Reporting

Enclosures

c: ORS – Carey Stites (via UPS overnight)
Nanette S. Edwards
James H. Jeffries IV

CERTIFICATION

I, Thomas E. Skains and Karl W. Newlin, state and attest, under penalty of perjury, that the attached Quarterly Monitoring Report is filed on behalf of Piedmont Natural Gas Company, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.



Thomas E. Skains
President and CEO

November 30, 2012

Date Signed



Karl W. Newlin
Senior Vice President and CFO

11 / 30 / 2012

Date Signed

Subscribed and Sworn to before me this
30th day of November, 2012


Notary Public

JANET P CURETON Notary Public Mecklenburg County State of North Carolina Commission Expires Mar 1, 2015

My Commission Expires March 1 2015

Net Operating Income and Rate of Return
For The Twelve Months Ended September 30, 2012
South Carolina
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	(1)	(2)	(3)
	<u>Per Filing</u>	<u>Accounting And Pro Forma Adjustments</u>	<u>After Pro Forma Adjustments</u>
Operating Revenues			
Sale of Gas	\$ 117,591,384	\$ 17,778,156	\$ 135,369,540
Other Operating Revenues	782,707	-	782,707
Total Operating Revenue	<u>\$ 118,374,092</u>	<u>\$ 17,778,156</u>	<u>\$ 136,152,247</u>
Operating Expenses			
Cost of Gas	\$ 52,323,025	\$ 17,346,082	\$ 69,669,107
Other Operation & Maintenance	27,152,486	(1,378,755)	25,773,731
Depreciation	11,142,084	239,737	11,381,821
General Taxes	6,028,846	121,826	6,150,672
State Income Taxes	1,090,619	(167,356)	923,263
Federal Income Taxes	5,403,412	713,485	6,116,897
Amort. of ITC	(37,895)	-	(37,895)
Total Operating Expenses	<u>\$ 103,102,577</u>	<u>\$ 16,875,019</u>	<u>\$ 119,977,596</u>
Net Operating Income	\$ 15,271,515	\$ 903,137	\$ 16,174,651
Interest on Customer Deposits	(129,509)	-	(129,509)
Amortization of Debt Redemption Premium	-	-	-
AFDUC	208,207	-	208,207
Customer Growth	93,156	5,509	98,665
Net Operating Income For Return	<u>\$ 15,443,369</u>	<u>\$ 908,646</u>	<u>\$ 16,352,015</u>
Original Cost Rate Base			
Plant in Service	\$ 406,843,892	\$ -	\$ 406,843,892
Accumulated Depreciation	(181,118,900)	-	(181,118,900)
Net Plant in Service	\$ 225,724,992	\$ -	\$ 225,724,992
Add:			
Construction Work in Progress	14,024,170	-	14,024,170
Materials and Supplies	12,146,054	-	12,146,054
Cash Working Capital	1,687,818	(172,344)	1,515,474
Deduct:			
Customer Advances for Construction	-	-	-
Customer Deposits	3,268,044	-	3,268,044
Accumulated Deferred Income Taxes	60,206,819	-	60,206,819
Unclaimed Funds	135,854	-	135,854
Total Original Cost Rate Base	<u>\$ 189,972,317</u>	<u>\$ (172,344)</u>	<u>\$ 189,799,973</u>
Return on rate base	<u>8.13%</u>		<u>8.62%</u>

Net Operating Income and Rate of Return
For The Twelve Months Ended September 30, 2012
South Carolina
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	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	After Accounting and Proforma Adjustments								
	Per Books Capitalization	Accounting and Pro Forma Adjustments	Settlement Capitalization	Calculated Ratio %	Agreed to Ratio %	Cost Net Investment	Embedded Cost %	Overall Cost Rate %	Net Operating Income
1. Long-Term Debt	\$ 763,525,326	\$ 200,000,000	\$ 963,525,326	48.57%	47.00%	\$ 89,205,987	5.37%	2.52%	\$ 4,790,362
2. Common Equity	1,020,226,128	-	1,020,226,128	51.43%	53.00%	100,593,985	11.49%	6.09%	11,561,653
3. Total	<u>\$ 1,783,751,454</u>	<u>\$ 200,000,000</u>	<u>\$ 1,983,751,454</u>	<u>100.00%</u>	<u>100.00%</u>	<u>\$ 189,799,972</u>		<u>8.62%</u>	<u>\$ 16,352,015</u>

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the attached *Quarterly Monitoring Report of Piedmont Natural Gas Company, Inc.* is being served this date via email and UPS Overnight upon:

Nanette S. Edwards
Carey Stites
Office of Regulatory Staff
1401 Main Street
Suite 900
Columbia, South Carolina 29201
nsedwar@regstaff.sc.gov
cstites@regstaff.sc.gov

And that a copy of the attached *Quarterly Monitoring Report of Piedmont Natural Gas Company, Inc.* is being served this date via email and U.S. Mail upon:

David Carpenter
Vice President
Planning and Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
david.carpenter@piedmontng.com

and

Pia Powers
Manager, Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
pia.powers@piedmontng.com

This the 5th day of December, 2012.

s/ James H. Jeffries IV
James H. Jeffries IV